

IT – INET Nordic – Introduction of Auction On Demand

As previously communicated ([48/16](#), [45/16](#) and [29/16](#)) Nasdaq Nordic is planning to introduce Auction On Demand (AOD), a new trading model for all shares traded on Nasdaq Stockholm, Nasdaq Copenhagen, Nasdaq Helsinki and Nasdaq Iceland. The instrument scope and market coverage could be expanded later.

AOD is a periodic auction trading system. It complements continuous lit and dark order book trading, and can take place whenever during continuous trading. An AOD auction is triggered on demand by crossing pegged orders (mid, bid or ask) or limit orders and it lasts for less than 100 milliseconds. Multiple anti-gaming protection mechanisms are included to safeguard the integrity of trading.

AOD orders can be submitted via FIX or OUCH and the Nordic Workstation. New auction information covering indicative price and quantity will be available over a new “MOII” message sent over ITCH. In GCF-TIP, the new “MOII” message is mapped to existing TIP message NetOrderImbalanceIndicator.

Protocol specifications

There will be updates to INET FIX, OUCH and ITCH protocols due to this change. The INET delta protocol specification document, published in May 2016, has been updated due to the enhanced AOD offering (additional pegging type instructions).

The latest “AOD – INET Protocol Changes” document and INET protocol specifications are available at [Nasdaq Nordic Technical Information](#) web site. The changes described in “AOD – INET Protocol Changes” will be incorporated into the INET Protocol Specifications at a later date.

Changes on GCF-TIP was introduced with the GCF 3.2.1 release on September 19, 2016. See [IT-Notice GCF 3.2.1 published July 15, 2016](#).

Legal and Market Model

The Nasdaq Nordic Member Rules and Market Model will be updated, effective as of June 7, 2017. A draft version of the Market Model will be available latest March 20, 2017.

AOD is designed to fulfil both MiFID I and MiFID II transparency requirements and has been presented in detail to the Nordic Financial Supervisory Authorities, who have stated that they don’t have further comments.

Time Schedule

- INET Test (NTF), GCF TST4 – March 20, 2017

- INET MiFID II Test – TBD, preliminary late Q1, 2017
- INET Production – June 7, 2017

Testing access

Members can test out the new functionality in the INET Test (NTF)/GCF TST4 and INET MiFID II Test environments.

Questions and feedback

For further information and feedback concerning this information, please contact Ronny Thellman, +46 8 405 6313, ronny.thellman@nasdaq.com.

Support

For technical questions, please contact Nasdaq Cash Equity Operations:

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Best regards,
Nasdaq Nordic

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